

1 _____ BILL NO. _____

2 INTRODUCED BY _____
3 (Primary Sponsor)

4 BY REQUEST OF THE ENVIRONMENTAL QUALITY COUNCIL

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6 A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING FOR GRANTS TO LOCAL GOVERNMENTS FOR THE
7 DEVELOPMENT OR IMPLEMENTATION OF GROWTH POLICIES; AUTHORIZING THE DEPARTMENT OF
8 COMMERCE TO ADMINISTER THE GRANTS AND ADOPT RULES; ESTABLISHING CONDITIONS AND
9 LIMITATIONS ON THE GRANTS; APPROPRIATING FUNDS FOR THE GRANTS; AND PROVIDING AN
10 IMMEDIATE EFFECTIVE DATE."

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12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

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14 NEW SECTION. **Section 1. Grants to local governments for development of growth policies.** (1) The
15 department of commerce shall make grants to eligible local governments for the development or implementation
16 of growth policies that meet the requirements of 76-1-601.

17 (2) (a) The department shall award grants to eligible local governments as long as funds are available.
18 Subject to subsection (2)(b), a grant may not exceed 50% of the eligible costs or \$50,000, whichever is less.
19 The grant recipient shall contribute matching funds using cash or in-kind contributions.

20 (b) The department may award grants to eligible local governments for up to 75% of the eligible costs
21 if the local government demonstrates severe economic hardship.

22 (3) For the purposes of this section, "eligible local governments" means planning boards established
23 pursuant to 76-1-101, cities, towns, and counties that agree to:

24 (a) develop a growth policy that meets all of the requirements of 76-1-601 or to carry out a specific
25 implementation activity described in a growth policy that meets all of the requirements of 76-1-601;

26 (b) contribute matching funds, as provided in subsection (2), using cash or in-kind contributions;

27 (c) complete the growth policy or implementation activity within 2 years of the award of the grant; and

28 (d) refund the grant award if all activities agreed to under subsection (3)(a) are not completed within
29 2 years, unless the department grants an extension as provided in subsection (6).

30 (4) Any costs directly attributable to the activities described in subsection (3)(a) are eligible costs.

1 Local governments are encouraged to solicit private donations to pay for their share of eligible costs.

2 (5) The department may adopt rules to administer this section, including rules governing applications
3 for grants, procedures for awarding grants, and the use of granted funds. The department shall develop a
4 simple application procedure and accountability system.

5 (6) The department may authorize up to 1 additional year for completion of a growth policy or
6 implementation activity if the department finds that the grant recipient is making reasonable progress toward
7 completion of the growth policy or activity.

8 (7) The deadline for grant applications must be no later than December 31 of each year.

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10 NEW SECTION. **Section 2. Appropriation.** (1) There is appropriated \$1 million from the general fund
11 to the department of commerce for each of the fiscal years 2002 and 2003.

12 (2) The appropriation in subsection (1) must be used to provide grants to eligible local governments for
13 the development or implementation of growth policies as provided in [section 1]. The department may not use
14 more than \$50,000 of the amount appropriated each fiscal year to pay for the costs of administering the grant
15 program.

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17 NEW SECTION. **Section 3. Codification instruction.** [Section 1] is intended to be codified as an integral
18 part of Title 90, chapter 1, part 1, and the provisions of Title 90, chapter 1, part 1, apply to [section 1].

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20 NEW SECTION. **Section 4. Effective date.** [This act] is effective on passage and approval.

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